

FISCAL NOTE WORKSHEET (Revised Nov. 2006)

Agency: Utah State Office of Education
Danny Schoenfield
 Requested By

Bill Number HB 234

Office of the Legislative Fiscal Analyst
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Fax/Electronic Mail Transmittal

Date: _____
Name: _____
Fax Number: _____

Please return to Fiscal Analyst by: January 17, 2007

TITLE OF BILL: COMPENSATION OF LOCAL SCHOOL BOARD MEMBERS

This Bill Takes Effect: ☐ On Passage ☒ On July 1 ☐ 60 Days after session ☐ Other _____

Bill Carries Own Appropriation: ☐

FISCAL IMPACT OF PROPOSED LEGISLATION

A. Revenue Impact by Source of Funds:

First Year

Second Year

	\$0	\$0
1. General Fund		
2. Uniform School Fund - Free Revenue		
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds		
7. TOTAL	\$0	\$0

B. Expenditure Impact by Source of Funds:

1. General Funds		
2. Uniform School Fund - Free Revenue		
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds	\$12,000	\$5,000
7. TOTAL	\$12,000	\$5,000

C. Expenditure Impact Summary:

1. Salaries, Wages and Benefits		
2. Travel		
3. Current Expenses		
4. Capital Outlay		
5. Other (Specify) Advertising	\$12,000	\$5,000
6. TOTAL	\$12,000	\$5,000

D. Impact in Future Years?

This bill would require districts to set a compensation schedule for board members which might change from year to year, instead of the current statute where parameters are set ahead of time. These changes would require a hearing similar to a budget hearing each time a change is made. The advertising requirements would be similar to year two.

E. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase

Lines 45 through 57 would cause a new increase in costs due to advertisement costs and additional hearings.

F. Expenditure Impact Details (*Ties to totals in Section C*)

List and document methodology and/or assumptions used in determining need for workload and cost increase.

List number, type, and step ranges of personnel required, including benefits.

List details of other impacted expenditure categories as shown in Section C.

List additional space requirements and cost associated with requirements of this bill.

(USE ATTACHMENTS IF NECESSARY.) For about 30 of the 40 school districts this would cost between \$350 and \$400 per advertisement. For about 10 school districts along the Wasatch front it would cost about \$100 per advertisement.

This could greatly change the willingness of persons to run for the school board, especially in rural areas wherer larger employers and group health plans are not readily available. The bill would seem to take away the ability to allow board members to participate in health insurance unless it it was specifically added as a part of the compensation plan.

Although early indications are that this would not be allowed. This might also decrease health insurance costs.

G. No Fiscal Impact or Will Not Require Additional Appropriations?

Specify why this bill will have no fiscal impact on your agency or institution.

Specify how you will reallocate workloads, resources, or funding sources to eliminate need for additional appropriations. (USE ATTACHMENTS IF NECESSARY.)

Not applicable. There are fiscal impacts.

H. If Bill Carries It's Own Appropriation:

Indicate if the amount appropriated is adequate to meet the purposes of the bill.

Are there future additional costs anticipated beyond the appropriation in the bill?

Bill does not carry its own appropriation.

I. Impact on Local Governments, Businesses, Associations, and Individuals

Specify requirements in the bill that drive the impact on local governments.

Local School Districts/Charter Schools :

This would have a large impact on school districts. This could greatly affect how many people would be willing to run for a school board office. In rural areas this may have a larger impact especially where board members are farmers and don't have access to group health plans. The cost of advertisements and hearings would be an additional cost and time requirement. It would seem improper to leave the Charter Schools out of this bill.

Businesses and Associations :

Individuals : Many individuals may decide not to run for office without the benefits they are currently receiving.

Narrative Description of Bill : This bill changes the parameters of compensation for local school board members. It seems to take away their ability to participate in group health insurance plans, although it is not clear if that could be part of compensation if set by the local school district. The bill also requires each school district to set a compensation schedule and to advertise the meeting where compensation of board members is discussed. It would seem discriminatory that schools districts are affected but not Charter Schools.